John M. Eriksson James F. Fell STOEL RIVES LLP 201 South Main Street, Suite 1100 Salt Lake City, Utah 84111 Telephone: (801) 328-3131 Facsimile (801) 578-6999

Attorneys for PacifiCorp

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of)	
PACIFICORP for a Certificate of)	APPLICATION
Convenience and Necessity Authorizing)	
Construction of the Currant Creek)	Docket No. 03-035-
Power Project)	

Pursuant to Utah Code Ann. §54-4-25, PacifiCorp, doing business as Utah Power & Light ("PacifiCorp" or the "Company"), hereby applies to the Utah Public Service Commission ("Commission") for a certificate of public convenience and necessity authorizing the construction of a 525 megawatt resource addition, known as the Currant Creek Power Project, adjacent to the Company's Mona Substation in Juab County, Utah. In support of this application, PacifiCorp states as follows:

- 1. PacifiCorp is an electrical corporation and public utility subject to the jurisdiction of the Commission. In addition to providing retail electric service in the state of Utah, PacifiCorp provides retail electric service in California, Idaho, Oregon, Washington and Wyoming.
 - 2. Communications regarding this filing should be addressed to:

John Stewart
PacifiCorp
201 South Main Street, Suite 2300
Salt Lake City, Utah 84111

John M. Eriksson James F. Fell STOEL RIVES LLP 201 South Main Street, Suite 1100 Salt Lake City, Utah 84111

- 3. Over the last decade, the Company has experienced significant retail load growth. As described in the testimony of Jon Cassity, PacifiCorp's most recent Integrated Resource Plan, filed with the Commission in January 2003, identified a need for substantial new resources, particularly in the Company's Eastern control area. Rising retail demand in Utah has been a principal factor contributing to an increasing gap between load and resources. The increasing demand, in conjunction with declining resources, is projected to lead to a resource deficit of 1,394 MW in fiscal year 2005 (12 months ending March 31, 2005).
- 4. In order to meet its retail load requirements, and in conjunction with other actions by the Company, PacifiCorp proposes to construct the Currant Creek Power Project (or the "Currant Creek Project") at a site adjacent to PacifiCorp's Mona Substation in Juab County, Utah. As described in the testimony of J. Rand Thurgood, the Currant Creek Project will be constructed in two phases. The first phase will consist of two natural gas-fired simple cycle combustion turbine generators, each with a nominal 140 MW capacity, for a total of 280 MW. Assuming a certificate is issued in time for the Company to begin construction in January 2004, the first phase is expected to be in commercial operation by June 2005. In the second phase of the Currant Creek Project, the plant will be converted to a combined-cycle combustion turbine (CCCT) configuration with the addition of two heat recovery steam generators (HRSGs), and a

single steam turbine generator driven by the steam produced by the HRSGs. Each of the HRSGs will be equipped with gas-fired duct burners, which provide the capability to generate more steam in the HRSGs, and consequently more power from the steam turbine generator. When converted to the CCCT configuration, the Currant Creek Project will have 525 MW of capacity. Mr. Thurgood's and Mr. Tallman's testimony explain the reasons why the Currant Creek Project is the most cost effective alternative available to meet the Company's need for a resource that could be available by the summer of 2005 and dispatched on at least a daily basis.

- 5. As described in the testimony of Bruce Williams, PacifiCorp intends to finance the construction of the Currant Creek Project through internally generated funds, new common equity, if necessary, and external financing sources. As Mr. Williams explains, in addition to the internally generated funds, PacifiCorp has access to the capital markets which it expects could be utilized to help finance construction of the Currant Creek Project.
- 6. PacifiCorp received unanimous approval from the Juab County Commission for rezoning the Company's property to allow for construction of a power generation plant on the proposed site, and received a building permit from Juab County on October 10, 2003 to begin construction of the Currant Creek Project. The Company expects to receive an Approval Order from the Utah Department of Environmental Quality, Division of Air Quality, in January, 2004, or earlier.
- 7. PacifiCorp will enter into purchase contracts for the Project's major components, including the gas turbines, the steam turbine, HSRGs, air-cooled condenser, and switchyard. A contract for the overall design, balance-of-plant engineering, procurement, integration and construction of the proposed Currant Creek Project is currently being finalized with Stone & Webster.

- 8. As Mr. Cassity explains in his testimony, the generation from the Currant Creek Project is needed to meet load requirements in Utah both at the time the first phase is complete, and at the time the second phase is complete. If the Company were unable to proceed with the construction of the Currant Creek Project, the Company and its customers would be exposed to the volatility in the wholesale power market, high transmission costs associated with delivering power to customers in Utah, and potential adverse impacts on service reliability. In order to complete the first phase in time to use the Project's output for filling the gap that is projected to exist in the summer of 2005 between Utah load and resources available to serve that load, the Company requests that the Commission issue an order granting a certificate of convenience and necessity for the Currant Creek Project by December 31, 2003. If the Currant Creek Project were not to commence commercial operation by June 2005, there will be increased risk of the Company being unable to meet its retail load requirements in major Utah load centers during peak hours in the summer of 2005.
- 9. The present and future public convenience and necessity requires the construction of the proposed Currant Creek Project. The Currant Creek Project will not conflict with or adversely affect the operations of any existing certificated fixed public utility providing retail electric service to the public. The Currant Creek Project does not constitute an extension into the territory certificated to an existing fixed public utility.
 - 10. The following testimony is filed in support of this application:
- a. J. Rand Thurgood, Managing Director of Resource Development and Project Management. Mr. Thurgood describes the Currant Creek Project, discusses the basis for the selection of the Currant Creek Project and describes the timing and cost of the Project.

b. Jon Cassity, Manager, Resource Planning. Mr. Cassity discusses the

Company's load and resource balance and the need for additional resources.

c. Mark Tallman, Managing Director of Trading & Origination. Mr.

Tallman describes how bids received in response to the Company's RFP 2003A compare to the

cost of the Currant Creek Project.

d. Bruce Williams, Treasurer of PacifiCorp. Mr. Williams explains the

Company's plans for the financing of the Currant Creek Project.

11. In order to expedite the Commission's determination in this matter, in addition to

filing and serving its supporting testimony on the Utah Division of Public Utilities, the Utah

Committee of Consumer Services and representatives of a number of other potential parties,

PacifiCorp is assembling documents it anticipates parties will likely desire to examine as part of

their analysis of this Application. Parties desiring to review those documents should contact

Barry Bell at 220-4985. The Company believes that making those documents available for

inspection will considerably diminish the need for discovery in this docket.

WHEREFORE, PacifiCorp requests:

1. The Commission enter an order on or before December 31, 2003, granting

PacifiCorp a certificate of convenience and necessity to construct the Currant Creek Project; and

2. The Commission grant such other authority and authorizations as may be

necessary to facilitate the construction of the Currant Creek Project.

Respectfully submitted this _____ day of November, 2003.

John M. Eriksson

James F. Fell

Stoel Rives LLP

Attorneys for PacifiCorp

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of October, 2003, I caused to be served, via overnight delivery, a true and correct copy of the foregoing **Application** to the following:

Reed Warnick Assistant Attorney General Utah Committee of Consumer Services Heber M. Wells Bldg., Fifth Floor 160 East 300 South Salt Lake City, UT 84111

Michael Ginsberg Assistant Attorney General Utah Division of Public Utilities Heber M. Wells Bldg., Fifth Floor 160 East 300 South Salt Lake City, UT 84111

Gary A. Dodge Hatch James & Dodge 10 West Broadway, Suite 400 Salt Lake City, UT 84101

Steve Christiansen Parr Waddoups Brown Gee & Loveless 185 South State, #1300 Salt Lake City, UT 84111

Eric Guidry Western Resources Advocates 2260 Baseline Road, Suite 200 Boulder, CO 80302

VERIFICATION

STATE OF OREGON)			
COUNTY OF MULTNOMAH)			
Mark R. Tallman, being first duly sworn, deposes and states:			
1. I am the Managing Director of Trading & Origination for PacifiCorp and am authorized to execute this verification in behalf of PacifiCorp.			
2. I have read the foregoing application and the same is true and accurate to the best of my knowledge and belief.			
	MayMoll		
	MARK R. TALLMAN		
Subscribed and sworn to before me this 2015 day of October, 2003.			
OFFICIAL SEAL KRISTIE SHARP NOTARY PUBLIC-OREGON COMMISSION NO. 366300 MY COMMISSION EXPIRES MAR. 5, 2007	NOTARY PUBLIC Residing at Multhoman Corunty		
My Commission Expires:			

3-5-2007